



Dependency Exemptions



4012
IRS
Volunteer Resource Guide 2014 RETURNS

C. Exemptions/Dependency & Main Info

Part II – Marital Status and Household Information

1. As of December 31 of last year, were you:

<input type="checkbox"/> Single (This includes registered domestic partnerships, civil unions, etc.)	a. Did you live with your spouse during any part of the year?
<input type="checkbox"/> Married	b. Was your marriage recognized under the law of the state or country where you lived?
<input type="checkbox"/> Divorced or Legally Separated	Date of final decree or separation: _____
<input type="checkbox"/> Widowed	Year of spouse's death: _____

2. List the names below of:
• everyone who lived with you last year (other than you or your spouse)
• anyone you supported but did not live with you last year

Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yyyy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of U.S., Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/14 (S/M)	Full-time student (yes/no)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)

Volunteers are trained to provide high quality service and uphold the IRS's reputation for integrity. To report unethical behavior to the IRS, email us at vi.voltax@irs.gov

About Dependency Exemptions

- TaxWise: Main Information Screen, Dependents/Nondependents
- Additional resources listed in L< “References” tab
- Review all tips and cautions
- Read all examples and sample interviews
- We will review answers to each exercise in the lesson

c Dependents/Nondependents

First name	Last name	Date of birth	Age	Social security number	Relationship to YOU	Mo in Hm	C o d D I T	E C C
			0					
			0					
			0					
			0					

Totals from Above Statement

Number of your children who lived with you 0 0 Box 6c1 . 0

Number of your children who didn't live with you due to divorce or separation 0 0 Box 6c2 . 0

Number of other dependents 0 0 Box 6c3 . 0

Objectives – Dependency Exemptions

- Determine if a taxpayer can claim an exemption for a dependent by applying the appropriate dependency test
- Determine how many exemptions a taxpayer can claim for dependents
- Time Required: 30 minutes

Exemptions

6a ☐ Yourself. If someone can claim you as a dependent, do not check box 6a

b ☐ Spouse

c Dependents:

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

If more than four dependents, see instructions and check here ► ☐

d Total number of exemptions claimed

Boxes checked on 6a and 6b

No. of children on 6c who:

- lived with you
- did not live with you due to divorce or separation (see instructions)

Dependents on 6c not entered above

Add numbers on lines above ►

How many should I claim?

Topics



- Dependents
- Qualifying Child Tests
- Qualifying Relative Tests
- Children of Divorced or Separated Parents



Key Terms

Definitions are always available in the L< online Glossary.

- Dependency Exemptions
- Dependency Tests
- Dependent
- Exemptions (Personal or Dependency)
- Qualifying Child
- Qualifying Relative



Dependents

- A taxpayer can claim one exemption for each qualified dependent, thereby reducing their taxable income
- Who may be claimed as a dependent?
 - Qualifying child
 - Qualifying relative
- Three tests apply to both qualifying child and qualifying relative:
 - Dependent taxpayer – person who is a dependent on someone else's tax return cannot claim a dependent exemption
 - Joint return – person filing a joint return cannot be claimed as a dependent
 - Citizen or resident – dependent must be a U.S. citizen, U.S. resident alien, U.S. national, or a resident of Canada or Mexico

Qualifying Child Tests

- Five additional tests for a qualifying child:
 - Relationship
 - Age
 - Residency
 - Support
 - Qualifying child of more than one person
- Review Pub 4012, Exemptions/Dependency & Main Info tab, [Dependency Exemption Interview Tips](#)

<div><div>TIP</div><div>Interview tips</div></div> <div>Table 1: Dependency Exemption Begin with this table for both Qualifying Child and Qualifying Relative dependents. Probe/Action: Ask the taxpayer.</div>		
step 1	Can you or your spouse (if filing jointly) be claimed as a dependent on someone else's tax return this year?	If YES: If you can be claimed as a dependent by another person, you may not claim anyone else as your dependent. If NO: Go to Step 2
step 2	Was the person married as of December 31, 2014?	If YES: Go to Step 3 If NO: Go to Step 4
step 3	Is the person filing a joint return for this tax year? (Answer "NO" if the person is filing a joint return only to claim a refund of income tax withheld or estimated tax paid.)	If YES: You cannot claim this person as a dependent. If NO: Go to Step 4
step 4	Was the person a U.S. citizen, U.S. resident alien, or U.S. national?	If YES: Go to Step 5

Qualifying Relative Tests

- Four tests for a qualifying relative, in addition to dependent taxpayer, joint return, and citizen or resident:
 - Not a qualifying child
 - Member of household or relationship
 - Gross income
 - Support
- Review Pub 4012, Exemptions/Dependency & More Info tab
 - [Interview Tips for Qualifying Relative](#)
 - [Worksheet for Determining Support](#)

Worksheet for Determining Support

Funds Belonging to the Person You Supported

1. Enter the total funds belonging to the person you supported, including income received (taxable and nontaxable) and amounts borrowed during the year, plus the amount in savings and other accounts at the beginning of the year 1.
2. Enter the amount on line 1 that was used for the person's support 2.
3. Enter the amount on line 1 that was used for other purposes 3.
4. Enter the total amount in the person's savings and other accounts at the end of the year 4.
5. Add lines 2 through 4. (This amount should equal line 1.) 5.

Expenses for Entire Household (where the person you supported lived)

6. Lodging (complete line 6a or 6b):
 - 6a. Enter the total rent paid 6a.
 - 6b. Enter the fair rental value of the home. If the person you supported owned the home, also include this amount in line 21. 6b.
7. Enter the total food expenses 7.
8. Enter the total amount of utilities (heat, light, water, etc. not included in line 6a or 6b) 8.
9. Enter the total amount of repairs (not included in line 6a or 6b) 9.
10. Enter the total of other expenses. Do not include expenses of maintaining the home, such as mortgage interest, real estate taxes, and insurance. 10.
11. Add lines 6a through 10. These are the total household expenses 11.
12. Enter total number of persons who lived in the household 12.

Expenses for the Person You Supported

13. Divide line 11 by line 12. This is the person's share of the household expenses 13.
14. Enter the person's total clothing expenses 14.
15. Enter the person's total education expenses 15.
16. Enter the person's total medical and dental expenses not paid for or reimbursed by insurance. . . 16.
17. Enter the person's total travel and recreation expenses 17.
18. Enter the total of the person's other expenses 18.
19. Add lines 13 through 18. This is the total cost of the person's support for the year 19.

Did the Person Provide More Than Half of His or Her Own Support?

20. Multiply line 19 by 50% (.50) 20.
21. Enter the amount from line 2, plus the amount from line 6b if the person you supported owned the home. This is the amount the person provided for his or her own support 21.
22. Is line 21 more than line 20?

☐ No. You meet the support test for this person to be your qualifying child. If this person also meets the other tests to be a qualifying child, stop here; do not complete lines 23–25. Otherwise, go to line 23 and fill out the rest of the worksheet to determine if this person is your qualifying relative.

☐ Yes. You do not meet the support test for this person to be either your qualifying child or your qualifying relative. Stop.

Children of Divorced or Separated Parents

- Special rules apply
- What is the difference between custodial and noncustodial parent?
- See table in Pub 4012, Exemptions/Dependency & Main Info tab, [Children of Divorced or Separated Parents or Parents Who Live Apart](#)
- Custodial parents can revoke a release of claim to exemption they previously provided to the noncustodial parent on Form 8332

<p>Form 8332 (Rev. January 2010) Department of the Treasury Internal Revenue Service</p>	<p>Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent</p> <p>▶ Attach a separate form for each child.</p>	<p>OMB No. 1545-0074</p> <p>Attachment Sequence No. 115</p>
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<p>Table 3: Children of Divorced or Separated Parents or Parents Who Live Apart</p> <p>(Use this table when directed from Table 1 or Table 2 to determine if the exception applies to the qualifying child residency test or the qualifying relative support test) Probe/Action: Ask the taxpayer:</p>		
<p>TIP</p> <p>interview tips</p>	<p>step 1 Did the child receive over half of his or her support from the parents who are: Divorced OR Legally separated under a decree of divorce or separate maintenance OR Separated under a written separation agreement OR Lived apart at all times during the last 6 months of the year?</p>	<p>If YES, go to Step 2. If NO, Table 3 does not apply.</p>
	<p>step 2 Was the child in the custody of one or both parents for more than half the year?</p>	<p>If YES, go to Step 3. If NO, Table 3 does not apply.</p>
	<p>step 3 Did the custodial parent (parent with whom the child lived for the greater number of nights during the year) provide the taxpayer a signed written</p>	<p>If YES, the Table 3 exception applies. See the footnote for</p>

Noncustodial parent's social security number (SSN) ▶		: : :
for Current Year		
Name of child		
n to exemption	Custodial parent's SSN	Date
for this child for future tax years, also complete Part II.		
for Future Years (if completed, see Noncustodial Parent on page 2.)		
Name of child		
n to exemption	Custodial parent's SSN	Date
n to Exemption for Future Year(s)		
Name of child		



Summary

Conditions for taxpayer to claim a dependency exemption:

- Taxpayer must not be claimed as a dependent by another taxpayer.
- Cannot claim a married person who files a joint return unless:
 - Joint return is only to claim refund, and
 - No tax liability for either spouse on separate returns.
- Dependent must be a U.S. citizen, U.S. resident alien, U.S. national, or a resident of Canada or Mexico, for some part of the year.
- Dependent must be taxpayer's qualifying child or qualifying relative.